

Date: November 20, 2012

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Interim Director
Department of Community Development
Subject: FY 2013- 2014 Emergency Solutions Grant and City General Funds
Housing for New Hope, Inc. Subrecipient Contract
Rapid Re-Housing Services

Executive Summary

On May 7, 2012, City Council approved the Substantial Amendment to the FY 2011-2012 Annual Action Plan and the FY 2012-2013 Annual Action was approved at Work Session on May 10, 2012 to receive \$304,873.00 in Emergency Solutions Grant (ESG) and City's General Funds (GF). These funds will address housing instability and homelessness in the City of Durham. The Department of Community Development issued an application solely for homelessness prevention and rapid re-housing activities on September 10, 2012 with responses due by October 16, 2012. One application was received from Housing for New Hope, Inc. (HNH) to provide rapid re-housing activities in the City of Durham for the eligible amount \$279,554.00. However, no applications were applied for homelessness prevention services. Therefore, the remaining ESG funds of \$25,319.00 for homelessness prevention services will be reissued in the upcoming FY 2013-2014 Funding Application process.

Recommendation

The Department of Community Development (DCD) recommends that the City Council authorize the expenditure of \$79,554.00 in Emergency Solutions Grant funds and \$200,000.00 in City General funds and authorizes the City Manager to execute a contract with Housing for New Hope, Inc. in the amount of \$279,554.00 to provide financial assistance to households experiencing homelessness.

Background

In the past three (3) years, HNH operated two Rapid Re-housing grants, one through the North Carolina Department of Health and Human Services and the other via a subcontract with Durham County Department of Social Services through the Community Development Department of the City of Durham. Through their efforts, HNH established the pilot program, developed protocol, built relationships with landlords and successfully re-housed numerous households in Durham. HNH has the knowledge, expertise and dedication to provide these services to address the ongoing homeless issues in the City of Durham.

Currently, HNH's Transition to Permanence (TOPs) is a city-wide collaborative to restart the successful rapid re-housing program that was initiated under the City of Durham's Homelessness Prevention and Rapid Re-housing Program (HPRP). The ESG and general funds will be spent to offer short-term (3-months) and medium term (3 – 12 months) support

to households for rental and utility assistance in obtaining permanent housing. Through TOPs, HNH will serve at least 45 homeless family households and at least 35 single households to indentify, secure, and to maintain permanent housing. Therefore, HNH will continue to utilize partnerships and relationships that have been fostered through the previous HPRP work and through the Continuum of Care along with the Council to End Homelessness in Durham.

Issues/Analysis

With the lingering effects of the recession, the need to eradicate homelessness remains. Under the HPRP program, HNH assisted more than 173 homeless households which was a proven success. ESG and City GF funding will allow HNH to increase and continue providing financial assistance to households that are experiencing homelessness.

Alternatives

One alternative to contracting with the HNH is rejecting their application and seeking another agency to provide rapid re-housing assistance. However, since HNH was the sole respondent to the application process, rejecting the proposal of a qualified respondent may make the search for another organization even more difficult. In addition, addressing homelessness is one of the City's priorities.

Financial Impacts

ESG and the City General funds are budgeted and available for this project.

SDBE Summary

SDBE requirements are not applicable.